

(d) Adjustment in loan rate for cotton**(1) In general**

The Secretary may make appropriate adjustments in the loan rate for cotton for differences in quality factors.

(2) Types of adjustments

Loan rate adjustments under paragraph (1) may include—

(A) the use of non-spot market price data, in addition to spot market price data, that would enhance the accuracy of the price information used in determining quality adjustments under this subsection;

(B) adjustments in the premiums or discounts associated with upland cotton with a staple length of 33 or above due to micronaire with the goal of eliminating any unnecessary artificial splits in the calculations of the premiums or discounts; and

(C) such other adjustments as the Secretary determines appropriate, after consultations conducted in accordance with paragraph (3).

(3) Consultation with private sector**(A) Prior to revision**

In making adjustments to the loan rate for cotton (including any review of the adjustments) as provided in this subsection, the Secretary shall consult with representatives of the United States cotton industry.

(B) Inapplicability of chapter 10 of title 5

Chapter 10 of title 5 shall not apply to consultations under this subsection.

(4) Review of adjustments

The Secretary may review the operation of the upland cotton quality adjustments implemented pursuant to this subsection and may make further adjustments to the administration of the loan program for upland cotton, by revoking or revising any adjustment taken under paragraph (2).

(e) Rice

The Secretary shall not make adjustments in the loan rates for long grain rice and medium grain rice, except for differences in grade and quality (including milling yields).

(Pub. L. 113–79, title I, §1210, Feb. 7, 2014, 128 Stat. 686; Pub. L. 117–286, §4(a)(43), Dec. 27, 2022, 136 Stat. 4310.)

Editorial Notes**REFERENCES IN TEXT**

Subtitle C, referred to in subsec. (b), means subtitle C of title I of Pub. L. 113–79, Feb. 7, 2014, 128 Stat. 687, which amended sections 1359bb, 1359ll, and 7272 of this title.

AMENDMENTS

2022—Subsec. (d)(3)(B). Pub. L. 117–286 substituted “chapter 10 of title 5” for “Federal Advisory Committee Act” in heading and “Chapter 10 of title 5” for “The Federal Advisory Committee Act (5 U.S.C. App.)” in text.

SUBCHAPTER III—DAIRY**PART A—DAIRY MARGIN COVERAGE****Editorial Notes****CODIFICATION**

Pub. L. 115–334, title I, §1401(k)(1), Dec. 20, 2018, 132 Stat. 4516, substituted “Dairy Margin Coverage” for “Margin Protection Program for Dairy Producers” in part heading.

§ 9051. Definitions

In this part:

(1) Actual dairy production margin

The term “actual dairy production margin” means the difference between the all-milk price and the average feed cost, as calculated under section 9052 of this title.

(2) All-milk price

The term “all-milk price” means the average price received, per hundredweight of milk, by dairy operations for all milk sold to plants and dealers in the United States, as determined by the Secretary.

(3) Average feed cost

The term “average feed cost” means the average cost of feed used by a dairy operation to produce a hundredweight of milk, determined under section 9052 of this title using the sum of the following:

(A) The product determined by multiplying 1.0728 by the price of corn per bushel.

(B) The product determined by multiplying 0.00735 by the price of soybean meal per ton.

(C) The product determined by multiplying 0.0137 by the price of alfalfa hay per ton.

(4) Dairy operation**(A) In general**

The term “dairy operation” means, as determined by the Secretary, 1 or more dairy producers that produce and market milk as a single dairy operation in which each dairy producer—

(i) shares in the risk of producing milk; and

(ii) makes contributions (including land, labor, management, equipment, or capital) to the dairy operation of the individual or entity, which are at least commensurate with the individual or entity’s share of the proceeds of the operation.

(B) Additional ownership structures

The Secretary shall determine additional ownership structures to be covered by the definition of dairy operation.

(5) Dairy margin coverage

The term “dairy margin coverage” means the dairy margin coverage program required by section 9053 of this title.

(6) Dairy margin coverage payment

The term “dairy margin coverage payment” means a payment made to a participating dairy operation under dairy margin coverage pursuant to section 9056 of this title.

(7) Participating dairy operation

The term “participating dairy operation” means a dairy operation that registers under section 9054 of this title to participate in dairy margin coverage.

(8) Production history

The term “production history” means the production history determined for a participating dairy operation under subsection (a) or (b) of section 9055 of this title when the participating dairy operation first registers to participate in dairy margin coverage.

(9) Secretary

The term “Secretary” means the Secretary of Agriculture.

(10) United States

The term “United States”, in a geographical sense, means the 50 States, the District of Columbia, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, the Virgin Islands of the United States, and any other territory or possession of the United States.

(Pub. L. 113–79, title I, §1401, Feb. 7, 2014, 128 Stat. 688; Pub. L. 115–123, div. F, §60101(b)(1)(A), Feb. 9, 2018, 132 Stat. 311; Pub. L. 115–334, title I, §§1401(k)(2), 1404(b)(2), Dec. 20, 2018, 132 Stat. 4516, 4521.)

Editorial Notes**AMENDMENTS**

2018—Pub. L. 115–334, §1404(b)(2), struck out “and part B” after “this part” in introductory provisions.

Par. (4). Pub. L. 115–123 redesignated par. (5) as (4) and struck out former par. (4). Prior to amendment, text read as follows: “The term ‘consecutive 2-month period’ refers to the 2-month period consisting of the months of January and February, March and April, May and June, July and August, September and October, or November and December, respectively.”

Pars. (5), (6). Pub. L. 115–334, §1401(k)(2)(A), added pars. (5) and (6) and struck out former pars. (5) and (6) which defined the terms “margin protection program” and “margin protection program payment”, respectively.

Pub. L. 115–123, §60101(b)(1)(A)(ii), redesignated pars. (6) and (7) as (5) and (6), respectively. Former par. (5) redesignated (4).

Pars. (7), (8). Pub. L. 115–334, §1401(k)(2)(B), substituted “dairy margin coverage” for “the margin protection program”.

Pub. L. 115–123, §60101(b)(1)(A)(ii), redesignated pars. (8) and (9) as (7) and (8), respectively. Former par. (7) redesignated (6).

Pars. (9) to (11). Pub. L. 115–123, §60101(b)(1)(A)(ii), redesignated pars. (10) and (11) as (9) and (10), respectively. Former par. (9) redesignated (8).

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 2018 AMENDMENT**

Pub. L. 115–334, title I, §1401(m), Dec. 20, 2018, 132 Stat. 4518, provided that: “The amendments made by this section [amending this section and sections 9052 to 9060 of this title] shall take effect on January 1, 2019.”

Pub. L. 115–123, div. F, §60101(b)(5), Feb. 9, 2018, 132 Stat. 312, provided that: “The amendments made by this subsection [amending this section and sections 9052 and 9054 to 9057 of this title] shall apply beginning with the 2018 calendar year.”

§ 9052. Calculation of average feed cost and actual dairy production margins**(a) Calculation of average feed cost**

The Secretary shall calculate the national average feed cost for each month using the following data:

(1) The price of corn for a month shall be the price received during that month by farmers in the United States for corn, as reported in the monthly Agricultural Prices report by the Secretary.

(2) The price of soybean meal for a month shall be the central Illinois price for soybean meal, as reported in the Market News-Monthly Soybean Meal Price Report by the Secretary.

(3) The price of alfalfa hay for a month shall be the price received during that month by farmers in the United States for alfalfa hay, as reported in the monthly Agricultural Prices report by the Secretary.

(b) Calculation of actual dairy production margin**(1) In general**

For use in dairy margin coverage, the Secretary shall calculate the actual dairy production margin for each month by subtracting—

(A) the average feed cost for that month, determined in accordance with subsection (a); from

(B) the all-milk price for that month.

(2) Time for calculation

The calculation required by this subsection shall be made as soon as practicable using the full-month price of the applicable reference month.

(Pub. L. 113–79, title I, §1402, Feb. 7, 2014, 128 Stat. 689; Pub. L. 115–123, div. F, §60101(b)(1)(B), Feb. 9, 2018, 132 Stat. 311; Pub. L. 115–334, title I, §1401(k)(3), Dec. 20, 2018, 132 Stat. 4516.)

Editorial Notes**AMENDMENTS**

2018—Subsec. (b)(1). Pub. L. 115–334 substituted “dairy margin coverage” for “the margin protection program” in introductory provisions.

Pub. L. 115–123 substituted “month” for “consecutive 2-month period” wherever appearing.

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 2018 AMENDMENT**

Amendment by Pub. L. 115–334 effective on Jan. 1, 2019, see section 1401(m) of Pub. L. 115–334, set out as a note under section 9051 of this title.

Amendment by Pub. L. 115–123 applicable beginning with the 2018 calendar year, see section 60101(b)(5) of Pub. L. 115–123, set out as a note under section 9051 of this title.

COLLECTION OF ALFALFA HAY DATA

Pub. L. 115–334, title I, §1401(c), Dec. 20, 2018, 132 Stat. 4512, provided that: “Not later than 120 days after the date of the enactment of this Act [Dec. 20, 2018], the Secretary [of Agriculture], acting through the National Agricultural Statistics Service, shall revise monthly price survey reports to include prices for high-quality alfalfa hay in the top five milk producing States, as measured by volume of milk produced during the previous month.”